Tells the Facts and Names the Names

CounterPunch

JANUARY 1-15, 1999 *Ken Silverstein & Alexander Cockburn* **VOL. 6, NO. 1**

IN THIS ISSUE

THAT'S SOCIALISM FOR YOU!

- Toledo's Citizens Forced to Aid Chrysler Corp.
- $7.2 Billion in Profits In 97: Plus $300 Million Extorted from an Ohio Steel Town

WAS CARTER WORSE?

- We Rate Jimmy Carter's Foreign Forays Next To Bill Clinton's

STRANGER LOVE HAS NO MAN

- Christopher Hitchens Sends Reagan Mash Note

EIN VOLK, EIN REICH, EIN FARM BUREAU!

- New Mexico's Farmers Unveil Fascist Program

CALIFORNIA'S NEW GOV: HE'S NO JERRY BROWN

Chrysler's Huge Haul: Hold-Up in Toledo

As they spin the globe and ponder plant locations, corporate planners know the first rule of the game: the more econmically depressed a community, the more vulnerable it is to shakedown. Hence, the city of Toledo is currently the victim of an extortion scheme by the Chrysler Corporation to the tune of $300 million — one of the biggest "incentive packages" handed out to any company during the past ten years.

The money, some of which comes from the state and federal government, is effectively a bribe to keep Chrysler from following through on a threat to close up shop in Toledo. Chrysler will use the booty to underwrite a $1 billion plan to build a new Jeep plant and expand and update an older one. The latter has produced Jeeps since 1941, making it the oldest continuously operating auto assembly line in the US.

The city has sweetened the deal by agreeing to evict homeowners and small businesses from the area that Chrysler has chosen for the plant site. Chrysler is not obliged to give back any of its welfare package if it should choose to kill jobs or later move the plant to Brazil or some other more profitable location. "Even for a large corporation with all the bargaining chips, there is still the matter of prudence, self-restraint, fairness and community decency," Ralph Nader wrote recently in a letter to Chrysler's boss Robert Eaton. "This is a time not just for graciousness, but for Chrysler to do in Toledo what other businesses and homeowners are doing - pay your fair share."

Of course, Chrysler and Eaton don't see it that way.

Giveaways to big corporations are growing steadily. A report last December in Time magazine estimated that the federal government alone doled out $125 billion annually in corporate welfare, an amount equal to the income tax paid by 60 million individuals.

The $300 million hand-out offered Chrysler takes the form of a 10-year property tax exemption, free land, help with site preparation, as well as a transfer of environmental liabilities from Chrysler to the city. Yet even as it pockets the money, Chrysler will reduce employment at Jeep from 5,600 to 4,900. The United Auto Workers, which represents Jeep employees, estimates that up to 2,000 additional jobs will be lost due to automation and outsourcing.

What makes the giveaway especially perverse is that Toledo, an old steel town that has been going through a long period of decline, is subsidizing one of the most profitable corporations on the planet. Chrysler—on its way to becoming part of the DaimlerChrysler Corporation with headquarters in Stuttgart, Germany— saw profits of $7.2 billion in 1997. Last year, its stock price soared from $68 to $104 per share. DaimlerChrysler's market value is estimated at $92 billion. Robert Eaton's stock and options were swollen by last year's merger with Daimler by about $112 million.

Toledo's municipal code requires voter approval for expenditures exceeding 15 percent of the city's annual budget (currently $180 million). Toledo has refused to honor the requirement and a local group, aided by Todd Paglia, an attorney who works for Nader, is suing to seek to force

(**Chrysler** *continued on page 6)*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Our Little Secret

Was Carter Worse?

Listening to someone on CNN the other day describe the ceremony surrounding day one of the impeachment process, we realized that at last America has its answer to British royal coronations. CNN's reporters had exactly the same hushed intonation that Richard Dimbleby used to describe proceedings in Westminster Abbey: "And here comes Black Rod, carrying the ewer of holy oil, in a tradition that has continued unbroken since Richard II." "And now the group of 13 Republicans presenting the charges against President Clinton is entering the Senate chamber in a tradition unbroken since Andrew Johnson..." It's wonderful to see how Bill Clinton of all people has reinvested the presidency with historical dimension and dignity. The other day at the post office we actually heard two people arguing about Reconstruction.

Their polls have plumetted anyway, but Republicans must be in awful shape if they are reduced to inviting Pat Caddell to tell them the shape of things to come. President Jimmy Carter's pollster attended the recent Republican gathering in Phoenix, The Weekend.

It was Caddell, you may recall, who urged Carter to one of his most foolish acts, the speech in which he announced that America was in the grips of spiritual malaise. Thanks to Caddell, this was pretty much the end of Carter. Frankly, we prefer Bill Clinton. Caddell's man, Jimmy Carter (a) founded the Nicaraguan Contras, ordering the CIA to recruit Argentinean torturers as the first trainers, (b) plunged the CIA into its most expensive single operation ($3.5 billion) in Afghanistan, (c) revived the Khmer Rouge after the Vietnamese had invaded Cambodia in 1979 and virtually destroyed it.

These days Hitchens writes in tones reminiscent of Bill Bennett or Emmett Tyrell.

At the start of January the New York Times' Seth Mydans filed some dispatches on the Khmer Rouge from Phnom Penh, pegged to the return of two Khmer Rouge high-ups to the Cambodian capital. One of Mydans' prime themes concerned the question of whether these Khmer Rouges should be put on trial for war crimes, or whether it is time to move on.

It was remarkable how steadfast Mydans was in confining his narrative to the period ending in 1979, with nothing more than the vaguest allusions to assistance subsequently provided from Thailand to the reeling Khmer Rouge. The truth was that Carter and his national security aide, Zbigniew Brzezinski had moved to restore the battered Khmer Rouge force almost as soon as it had arrived at the Cambodian-Thai border hotly pursued by the Vietnamese. This was done under the supervision of a joint U.S./Thai operation known as Task Force 80. The operation continued over the next 10 years, latterly under the supervision of a U.S. intelligence official named Denny Lane. Prominent in Washington among the partisans of the Khmer Rouge were the Heritage Foundation and that fountainhead of political sewage, former Congressman Stephen Solarz, whose pretense was that the U.S. was supporting the "non-communist resistance." This so-called "non-communist resistance" was in military terms merely an extension of the Khmer Rouge. Simultaneously, the United States, as Mydans fleetingly conceded, did work to keep the Khmer Rouge as the internationally recognized government of Cambodia with a seat in the UN. Small wonder present U.S.-originating stories about the Khmer Rouge end abruptly in 1979.

So, yes, given this record, we'd take Bill Clinton over Carter or Christopher Hitchens' heroes Reagan and Bush. Hitchens sets Bill above George Bush and Ronald Reagan in war criminal ranking, declaring in his Nation column that "in the precedent cases of Libya and Iraq, Reagan and Bush gave ample warning and offered, at least, open and extensive proof".

We take this sentence to mean that when Commander-in-Chief Reagan ordered the bombing of Tripoli in 1986, he had offered clear reasons for doing so before the elected representatives of the American people. In fact Reagan had done nothing of the sort. He undertook the bombing on the basis of what was highly ambiguous evidence that the Libyans were responsible for a bomb explosion in a Berlin discotheque.

These days Hitchens writes in tones eerily reminiscent of Bill Bennett or Emmett Tyrell, as in "Nor was Holtzman, a woman of obviously low mentality, just speaking her own untidy mind." It seems that on MSNBC Liz Holtzman was chiding Hitchens for being disrespectful of the President while American troops were in the field.

Leave Anything Out?

We've been savoring the New Mexico Farm Bureau's "policy recommendations" for 1999, which offer useful insight into the Farm Bureau, one of the most powerful lobbies in Washington, not to mention most state capitals. The national Farm Bureau convention was held in New Mexico the second week of January.

CHILD LABOR: "The child labor provisions of the Fair Labor Standards Act are outmoded and should be modernized. Young people, 10-12 years of age should be able, with parental consent, to do certain kinds of safe work on farms during non-school days and those aged 12 to 13 should be allowed more latitude in working on farms with parental consent."

Editors
Ken Silverstein
Alexander Cockburn

Co-writers
Daniel Burton-Jones
Jeffrey St. Clair

Design
Deborah Thomas

Counselor
Ben Sonnenberg

Published twice monthly except August, 22 issues a year:
$40 individuals,
$100 institutions,
$30 student/low-income
CounterPunch.
All rights reserved.
CounterPunch welcomes all tips, information and suggestions.
CounterPunch
P.O. Box 18675
Washington, D.C. 20036
202-986-3665 (phone)
202-986-0974 (fax)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ANIMAL WELFARE: "We oppose legislation that would give animal rights organizations or any public agency the right to establish standards for the raising, handling, feeding, housing, or transportation of livestock, poultry, aquaculture and fur-bearing animals...We oppose the legislation which would prohibit or unduly restrict the use of animals in research."

PRIVATIZE PUBLIC LAND GRAZING PERMITS: "we defend the right of the lessee to sell, borrow against, or pass on to the heirs these leases."

ENDANGERED SPECIES ACT: "..Many predators such as the grizzly bear and some wolf species are contributing very little tangible benefit to the American people, and the extinction of the dinosaur, brontosaurus, pterodactyl, sabertooth tiger and countless other species is not hindering the occupation of Earth by the human race, and Therefore we strongly urge that the Endangered Species Act be reworded..."

MEXICAN GRAY WOLF: "The NMF&LB adamantly oppose the reintroduction efforts being perpetuated on the citizens of New Mexico by the U.S. Fish and Wildlife Service, Arizona Game and Fish Dept., New Mexico Game and Fish Dept., and eco-preservationist groups."

INDIAN CLAIMS: "The New Mexico Farm and Livestock Bureau is strongly opposed to the practice of the United States government using public lands of the U.S. and water to satisfy Indian tribal claims."

RIGHT TO KNOW: "Be it resolved that all agricultural activities, including cultivation of land for the production of agricultural crops, poultry, production of eggs, production of milk, production of fruit, or other horticultural crops, grazing or the production of livestock and spraying and harvesting, be exempt from Right To Know."

HOMOSEXUALITY: "We strongly support the rights of those who speak out against homosexuality. We believe...the hiring of homosexual teachers...would create an emotional and mental health hazard for children. We also oppose legislation providing for the Gay Bill of Rights."

THE POOR: Oppose public welfare programs for the poor, and specifically opposes "public aid programs so lucrative that there is an economic advantage in becoming a recipient".

MEDIA INTERVIEWS: "Be it resolved that New Mexico Farm and Livestock Bureau urge all people being interviewed on controversial subjects demand to see or hear the final version of said interview before it is aired or printed, and to reserve the right to refuse to have said program aired or published."

NATURE CONSERVANCY CONSPIRACY: "Be it resolved that the NM F&LB oppose the activities of the Nature Conservancy...(and)...request the Attorney General of New Mexico to investigate the activities of the Nature Conservancy in New Mexico to determine whether conspiracy exists between it and government entities."

WORKERS PROTECTION: "Chemicals are a necessary tool used today in all phases of agriculture. Field Re-entry Regulations for re-entry into agricultural fields after chemical spraying are imposed beyond what is reasonable. We oppose these regulations"

"The extinction of the dinosaur...is not hindering the occupation of Earth by the human race ."

FARM LABOR: The Farm Bureau wants more migrant workers from Mexico but opposes paying minimum wage to workers traveling on a portal to portal basis. They also oppose paying minimum wage for any waiting time at the field, before or after completion of their work assignment.

FARM LABOR UNION ORGANIZING: "law enforcement agencies (should) give full protection under the law to NM farmers and ranchers wherein labor unions may come onto private property in an effort to disrupt and to cause a labor strike."

RIGHT TO WORK: Whereas threat of labor union movement can be detrimental in attracting new businesses to NM and the surrounding states have Right to Work legislation ....be it resolved NM Farm and Livestock Bureau supports legislation to enact the Right to Work Act in NM."

WORKERS COMPENSATION: "continue working to keep agriculture exempt from workers compensation administration regulations."

COLLECTIVE BARGAINING: "We urge repeal of the enacted Collective Bargaining Law."

MIGRANT FARM WORKERS: "opposes grants of federal money to migrant and seasonal farmworkers associations."

GENETICALLY ENGINEERED ANIMALS: recommendation to favor the patenting of genetically engineered animals and to encourage more research.

EPA REGULATIONS: "...oppose the unnecessary regulatory burdens proposed by the Environmental Protection Agency," with specific opposition to regulations for Concentrated Animal Feeding Operations.

Here at CounterPunch we must confess that we find ourselves in solidarity with the Farm Bureau on one point at least: its appraisal of the Nature Conservancy as little more than a government-sanctioned real estate company.

THAT PANTHER TRIAL

Albert Woodfox, the Black Panther Party activist convicted in 1972 of killing a guard at the Louisiana State Penitentiary at Angola, was retried last month and again found guilty—in a trial as tainted as the first one. Woodfox succeeded in overturning the original conviction six years ago, but the state re-indicted him in 1993 (See CounterPunch Nov. 16-30, 1998).

The prosecution's case was flimsy. There was no physical evidence linking Woodfox to the scene of the crime, despite the fact that the guard, Brent Miller, was stabbed at least 32 times and bled profusely. But the prosecution's arugment that Woodfox was motivated by racial hatred was bought by the jury—which included only two blacks—in Amite, Louisiana. It returned a guilty verdict in four hours, after a trial that lasted little longer than a week.

Woodfox will be sentenced on January 27, but life without parole is the predetermined result for a prisoner convicted of killing a guard. It's also a foregone conclusion that upon being shipped back to Angola, Woodfox will join several fellow Black Panther Party members in that terrible institution's 23-hour a day isolation cells. The Panthers have been held thus since they first tried to organize the prison 27 years ago.

Though Woodfox was depressed by the verdict, he's trying to remain optimistic. "No matter how things turn out, I've made some wonderful friends", he told CounterPunch in talk about the unanticipated level of support he received at his recent trial. ■

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Cold War Legacy

Hot Bugs: Hanford's New Peril

In late September, 1998, researchers at the Hanford Nuclear Reservation, the nation's chief nuclear complex, began to notice something disturbing. Tests were picking up more than a dozen new radioactive hot spots across this 560-square mile site abutting the Columbia River in eastern Washington. Radiation was clearly spreading, but how?

The Hanford scientists fixed the blame for the contamination on "ecological transport". Radioactive chemicals from supposedly contained areas had been transferred by bugs. The culprits include fruit flies, ants, worms, roaches and gnats. The researchers aren't sure precisely how the insects have become contaminated or how far they might have spread the radiation. But it seems that the bugs have come in contact with unsecured areas of radioactive waste at the Hanford site, most likely a leaking storage facility.

For fifty years, Hanford has served as the government's nuclear arms-making factory, processing plutonium for H-bombs. Hanford stockpiles the world's largest stockpile of nuclear waste and is considered the most toxic landscape in North America. Environmentalists contend that the multi-billion dollar cleanup mission at Hanford has been dangerously bungled. This means that the radioactive legacy of the Cold War, once believed to be contained inside the confines of Hanford, is now moving off government land and into the communities, food and water supplies and ecosystems of the Pacific Northwest.

The discovery of the new radioactive sites and the belief that they were spread by bugs and other ecological means may be one reason for why people living around the nation's nuclear sites, including Hanford, are getting sick.

An investigation this fall by the Nashville Tennessean newspaper recorded at least 413 instances of radiation-associated illnesses among people who live near or work at Department of Energy sites. The government has furiously denied the report, claiming that there had been no releases of radiation from Hanford or the Oak Ridge site in Tennessee.

In one instance, traces of strontium-90, a highly toxic radioactive isotope with a half-life of 29 years, were detected in a trailer used by Hanford workers as an office and a kitchen. An internal report we have acquired has determined that "several items in the trailer were contaminated, including a cutting board, a countertop, a bench-seat, the floor, garbage cans and their contents, door handles and food wrappers". The report notes that the dumpsters near the trailer were emptied and their contents transported not to a hazardous waste site, but in regular garbage trucks to the municipal landfill near Richland, Wash. The garbage trucks were later found to contain traces of radiation and were quarantined. The hot portions of the Richland landfill were cordoned off for weeks before the contaminated materials were excavated in November.

Investigators blame radioactive gnats and ants for the irradiation of Hanford workers.

The presence of strontium-90 has led investigators to conclude that the ultimate source of the radioactivity is a site known as B-Plant, the only waste storage facility at Hanford that houses strontium-90. The researchers believe that fruit flies, gnats, mice and other animals and insects have picked up traces of the deadly chemical through leaks at the B-plant and deposited it across the Hanford site and perhaps into the surrounding area.

Although the Department of Energy claims there is no cause for alarm, there is evidence that Hanford workers who were not wearing protective gear were also exposed to strontium-90. Investigators believe the exposure occurred in the work trailer, which had been contaminated by radioactive gnats and ants. Several employees showed traces of radiation on their shoes and clothes. In at least one case, an ironworker at Hanford appears to have transferred the radiation to his home, where the carpet, floors, and laundry hamper tested positive for strontium-90 and other radioactive chemicals.

Nor are bugs and mice the only disseminators of radiation. A new study by the Government Accountability Project and Norm Buske, a physicist and oceanographer based in Spokane, reveals that leaves from mulberry trees growing along the shores of the Columbia River are turning up disturbingly high levels of radioactive chemicals. Buske collected leaves growing from trees near a site known as N-Springs, where contaminated groundwater from Hanford seeps into the Columbia River. According to Buske's analysis, the mulberry leaves contained 32,000 picocuries per kilogram of strontium-90, more than 4,000 times the drinking water limit.

The Columbia remains one of the world's most productive salmon fisheries and environmentalists have long contended that radioactive ground water from Hanford has been seeping into the river, contaminating salmon, steelhead, sturgeon and other highly-prized fish. "Strontium-90, uranium and chromium are seeping into spawning grounds next to the old H-reactor," says Buske, who heads Nuclear Free America. "The long-term health of the Columbia and Alaskan Pacific salmon fisheries is now threatened by the mix of radio-chemicals oozing from DOE's mismanaged Hanford wastes."

The activities at Hanford were not limited to bomb-making. They also included deliberate releases of radioactive iodine into the atmosphere to test fall-out patterns. Although the Department of Energy continues to deny any culpability, these releases are believed to be the cause of thousands of thyroid cancers in communities downwind from the weapons plant.

With the collapse of the Cold War, the environmental ruins at Hanford were at least partially revealed. In the early 1990s, reports out of Hanford suggested that the problem was so severe that a Chernobyl-like explosion, showering cities as distant as Seattle and Portland, Oregon with radioactive fall-out was a possibility. While the Department of Energy hasn't given up on keeping Hanford running as a nuclear weapons-making facility (the current proposal is to process tritium at the mothballed Fast Flux Reactor), its rhetoric has focused more and more on environmental clean-up, which is a surer way to keep the nuclear infrastructure in place.

Thus far, Congress has spent more than $15 billion to deal with the contamination, with few results. The latest estimates suggest that the cleanup could take 50 years and cost more than $50 billion. ■

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Gray Davis: The Shape of Things to Come

Governor Gray Davis tweaked the nose of his former boss, Jerry Brown, in Sacramento when he kicked off an inaugural address of narcotic tedium with the claim that "today we begin a new chapter in the history of California: The Era of Higher Expectations." Back in the 1970s, Brown famously used the phrase "lowered expectations" to warn Californians what to look for in the coming years. But in truth Davis unveiled an agenda so meager in content, so timid in political reach, so straitened in its decorum that it made Brown sound in retrospect like FDR in 1933. The "centrist" idiom concocted by Governor Bill Clinton in the mid-1980s has now blossomed in full and hideous flower across the nation. Before Christmas, Vice President Al Gore and former US Senator Bill Bradley field-tested their themes for Campaign 2000 in exactly the same terms as Davis: rhetoric as nerveless and soft-edged as tofu.

"I am a moderate and a pragmatist by nature," Davis declared. "I will govern neither from the right, nor the left, but from the center, propelled not by ideology but by common sense." This same common sense had prompted Davis earlier that day to meet with a platoon of lobbyists for the state's energy, agriculture and real estate sectors where the incoming governor assured them of his profound concern for their interests. If there were equivalent encounters that day with farm-workers, nurses and others from kindred walks of life, they escaped the attention of the press. As with Bill Clinton, centrism on Davis's terms means uncritical acceptance of the most abrasive of all ideologies: the belief that the role of government is to promote the corporate agenda.

There's never been the slightest mystery about Davis's beliefs. He exhibited them as lieutenant-governor and freely vouchsafed them during his campaign. But since his victory in California is being advertised as the model for Democrats in the coming millennium, we should touch on some of their practical consequences.

One of Davis's first acts after victory at the polls was to appoint Barry Munitz as director of his transition team. At that time Munitz was head of the J. Paul Getty Trust, having previously been chancellor of the California state university system, where he'd deservedly come under fire for increasing student fees, cutting back on enrollments, overseeing phase-out of affirmative action programs and excessive generosity to the sales forces of Silicon Valley.

Prior to that, for nine years Munitz served at the right hand of Charles Hurwitz, boss of Maxxam and symbol incarnate of predatory capitalism. It was during Munitz's tenure at Maxxam that junk bonds financed the take-over of Pacific Lumber, thus setting in motion accelerated logging, not to mention looting of the workers' pension fund at Pacific Lumber.

If anyone was entertaining illusions about Davis, Munitz's appointment should certainly have shattered them, and it's worth spelling out what Democratic "centrism" means these days in terms of the environment. In his inaugural, Davis pledged to "preserve our God-given natural heritage" and be "tight with your tax dollars." But at the level of centrist practicality Davis has endorsed Hurwitz's demands whereby the feds and the state of California will pay over to the Houston-based entrepreneur an astounding $495 million for the Headwaters redwood groves south of Eureka, more than three times the value of the property, according to a federal analysis.

New California Governor already whores for Maxxam.

Davis is more than ready to apply this brand of "centrist" environmentalism in other areas: he's vowed to push for tax breaks for the diesel trucking lobby, for pesticide manufacturers and agro-chemical sector as a way of bribing them to exhibit even minimal respect for the law. He has been a fervent cheerleader for the so-called "habitat conservation plans" that Gov. Pete Wilson worked out with the Clinton-Gore crowd in Washington as a way of helping real estate interests from Disney to the Irvine Development Company get around the Endangered Species Act. Davis has also suggested that corporate sponsorship of state parks might be the best way to nourish California's natural heritage.

There will be plenty of opportunity to dissect the meaning of "centrism" as applied to immigration policy, labor relations, civil rights, the justice system, education. But the environment is always a telling crucible in which to assay political pretensions. One can add up acres destroyed with considerable precision. Through the Reagan administration, led by a man who famously declared, "Seen one redwood, you've seen them all," six million acres of federal forest land were permanently protected from the chainsaw by being designated "wilderness areas". Under six years of Clinton, the equivalent figure is 700,000 acres.

Politics should be a matter of struggle, of conflicting philosophies. In such battles in the Reagan Eighties, six million acres of forest land were saved. In the Clinton years much less, precisely because there's been almost no battle. The liberals have stopped fighting.

Politicians like Davis can get away with preposterous claims that they are "centrist" only because they are on a battlefield where one side has long since thrown down its arms. ■

SUBSCRIPTION INFO

Enter/Renew Subscription here:

One year individual, $40
One year institution, $100
One year student/low income, $30
Please send back issue(s) _____ ($3/issue)
"I am enclosing a separate sheet for gift subscriptions"

Name _____

Address _____

City/State/Zip _____

_____

Payment must accompany order.
Add $10 for foreign subscriptions.
Make checks payable to: **CounterPunch.**
Return to: **CounterPunch.**
PO Box 18675
Washington, DC 20036

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a referendum on the matter. In effect, as Paglia points out, "the city is breaking the law in order to deny the people who are paying for all of this corporate welfare an opportunity to voice their opinions."

DaimlerChrysler, which has $20 billion in cash reserves and is predicting record profits for 1999, is also screwing homeowners and small business owners who will be displaced by Jeep's expansion. Assisting in this noble task is a man widely considered to be a moron, Mayor Carty Finkbeiner, who once suggested that a noise pollution problem caused by an airport located in a residential area could be solved by having deaf people move into the surrounding homes.

Normally, if a company wants to construct a plant it would have to buy out property owners at negotiated prices. Some might refuse to sell altogether. Instead, Finkbeiner has acceded to Chrysler's demand that the city buy up all the land it wants under power of eminent domain.

This offers financial and PR incentives for the company. More importantly, you can't say "no" to the city. Eminent domain allows governments to take private land for public use and pay the owners "just compensation".

Giving away a neighborhood to a private corporation may not seem like a proper public purpose. However, a legal challenge would not only be expensive but also difficult to win. The courts have declared that jobs satisfy the public purpose requirement. Hence, even though Chrysler plans to reduce its overall payroll in Toledo, it would likely still prevail on the grounds that its decision to stay in Toledo will keep 4,900 people there employed.

So as Chrysler lurks in the shadows, the city of Toledo is seeing to the ugly task of destroying a working class neighborhood. The situation would be less outrageous if Toledo was offering generous terms to homeowners. Instead, it has used extremely aggressive bargaining tactics that have led to a number of very low buy-outs from residents who are no match for city negotiators and unable to afford an attorney.

The amount of money needed to treat residents fairly is negligible. Even an assumption of $100,000 per home comes to just over $8 million—about 7 percent of the windfall reaped by Chrysler's boss Eaton as a result of the merger. Chrysler could easily afford to assist in the buy-outs but has adamantly refused to do so.

It's an especially inglorious fate for the Jeep, the vehicle Ike drove around in on D-Day, the car that liberated the Death Camps.

A few holdouts remain, but with the threat of eminent domain hanging over their heads most people have settled. Some have had to assume greater debt to buy a new home that was comparable to the one they were forced out of. Even worse, the land the homes sit on was not even needed to build Chrysler's new jeep plant but was set aside for landscaping purposes. After this fact was reported, Chrysler hastily declared that the site was actually designated as a truck marshalling area or for possible future expansion.

Even as the controversy over Toledo's welfare package simmers, Chrysler is reporting cost overruns on its project that could force up the city's contribution. "My sense is that nobody has a clear picture of what it's going to cost us and how we are going to pay for it," Councilman Louis Escobar was recently quoted as saying.

One of the saddest chapters in the history of Detroit was General Motors' destruction of Poletown, an affair that was the subject of a marvelous documentary by George Corsetti. Then, Detroit, led by Mayor Coleman Young, used its eminent domain law to turn over 400 acres of land to GM so the company could build a new factory. A community with 400 homes, 12 churches, dozens of small businesses, schools and a hospital was demolished. GM needed less than half of the space to build its factory, which employed fewer than 3,000 workers - less than half the number that the corporation had promised when it was pressuring the city to turn over the land. The core of the vibrant old neighborhood ended up on an overflow parking lot.

The Toledo story marks an especially inglorious fate for the Jeep, the vehicle Ike drove around in on D-Day, the car — as our friend and Toledo resident Peter Linebaugh points out — that liberated the death and slave camps. Now the Jeep is employed by Chrysler to bully Toledo into turning over vast sums of money in the name of enhancing "America's export drive". ■

CounterPunch
P.O. Box 18675
Washington, DC 20036

Presorted
First Class Mail
U.S. Postage
PAID
Permit No. 269
Skokie, IL

First Class Mail

Is California's New Governor The Shape of Things to Come?

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED